

Meeting Summary.

Following is a summary of the issues discussed at the WaterStat meeting on February 19, 2016. Analysis provided by the Office of Performance and Data Analytics.

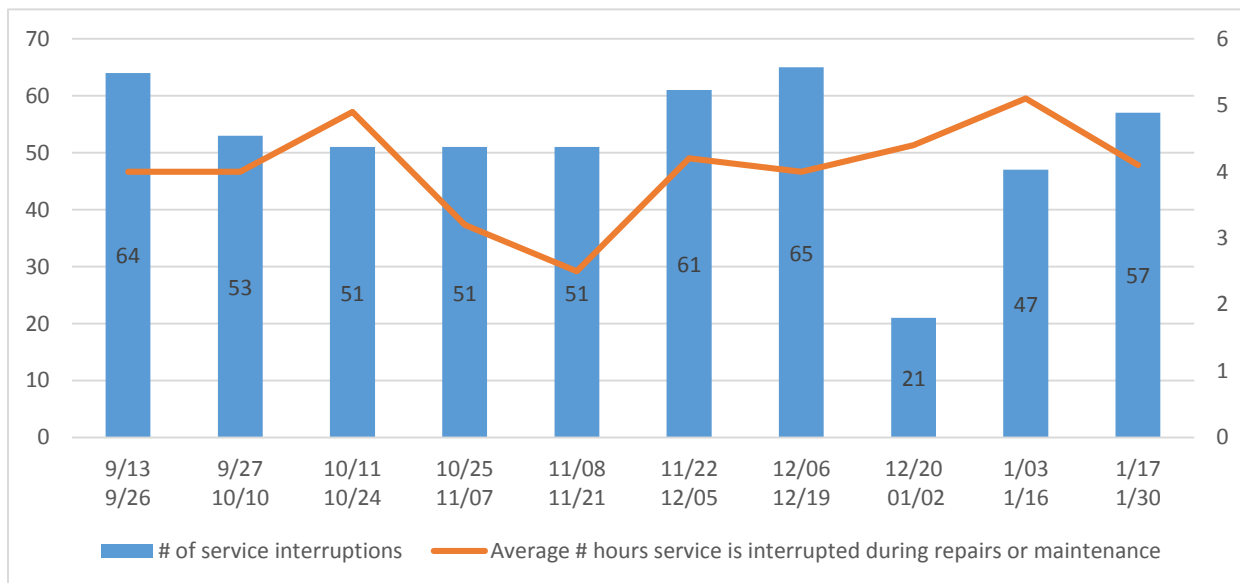
MONITOR CUSTOMER SERVICE WORK ORDERS

Goal: *Provide quality customer service by ensuring rapid reactive and strategic preventative maintenance to the distribution system.*

Previous and Next Milestones: Through the WaterStat process we have identified datasets and performance metrics to monitor customer service quality. Our next milestone is to continuously monitor these trends and examine outliers to identify potential areas of improvement.

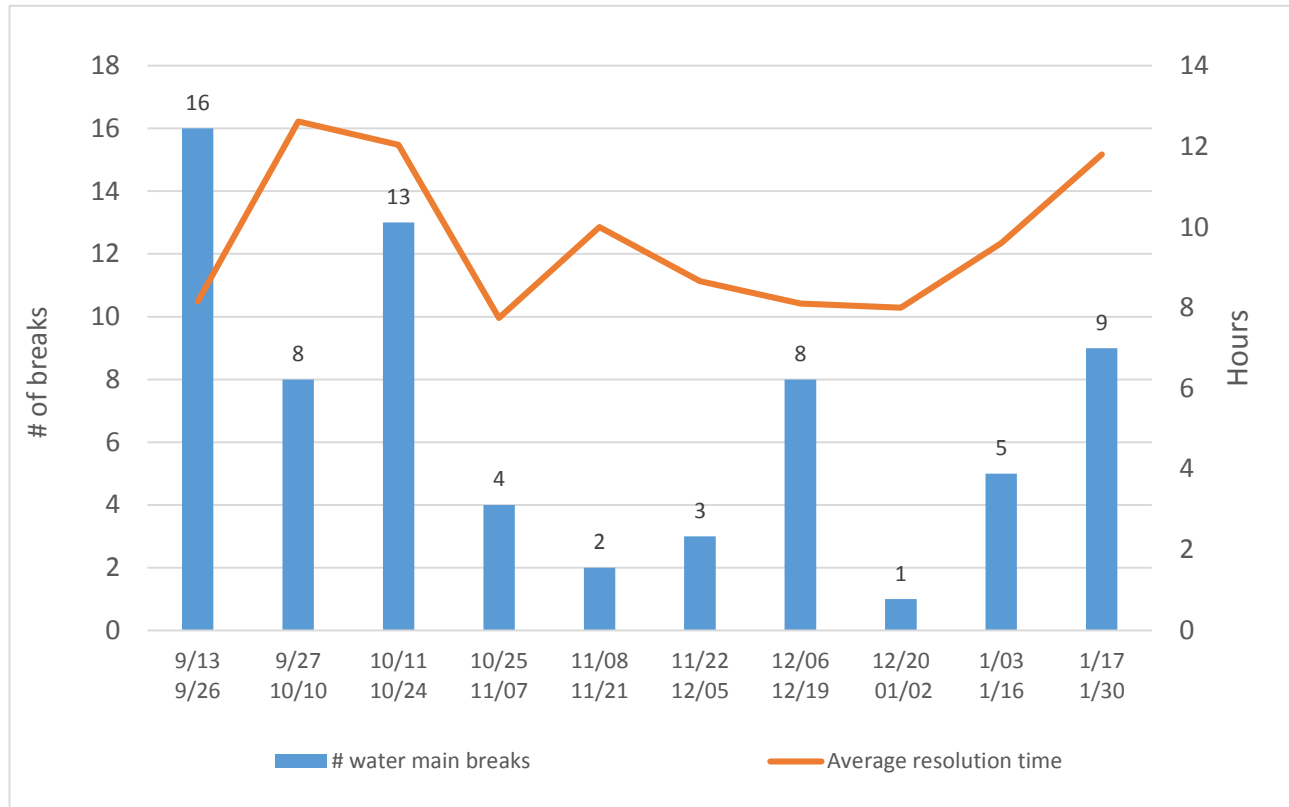
- **Monitor interruptions of service.** The following charts show the frequency of service interruptions as well as the average time service was interrupted. The panel may wish to inquire:
 - What factors lead to the steep drop in number of water service interruptions in December? Is that a data entry issued?

Water Service Interruptions



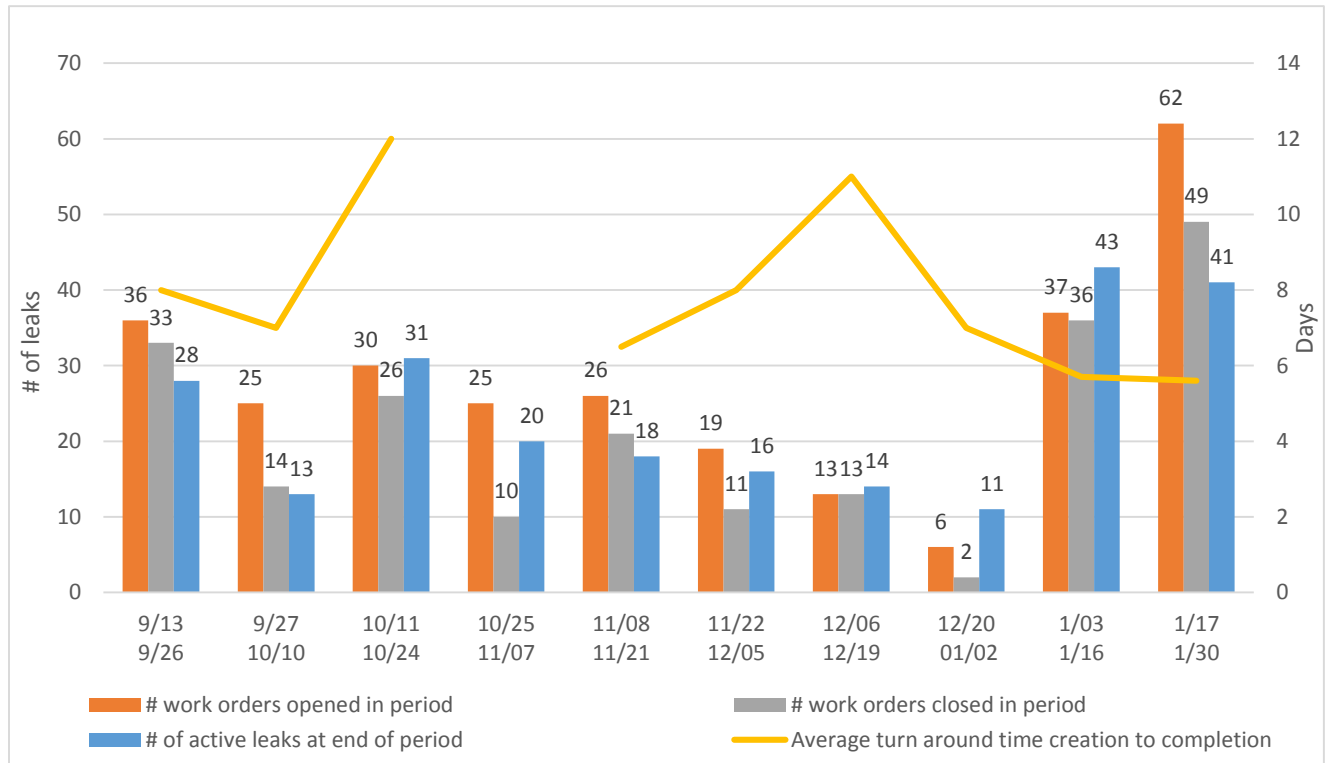
- **Monitor water main breaks and leaks.** The following charts show the frequency of water main breaks and leaks as well as the average resolution time. The panel may wish to inquire:
 - During the last two periods, how is it that no WO were left in the queue if 9 came in 9 were resolved, and 1 was pending?
 - Similarly, how are the active leaks at the end of the period calculated? The numbers don't quite add up.

Water Main Breaks



Water main breaks	12/20 01/02	1/03 1/16	1/17 1/30
# water main breaks	1	5	9
# work orders closed in period	1	4	9
# work orders left in queue at period	0	1	0
Average resolution time	8	9.6	11.8

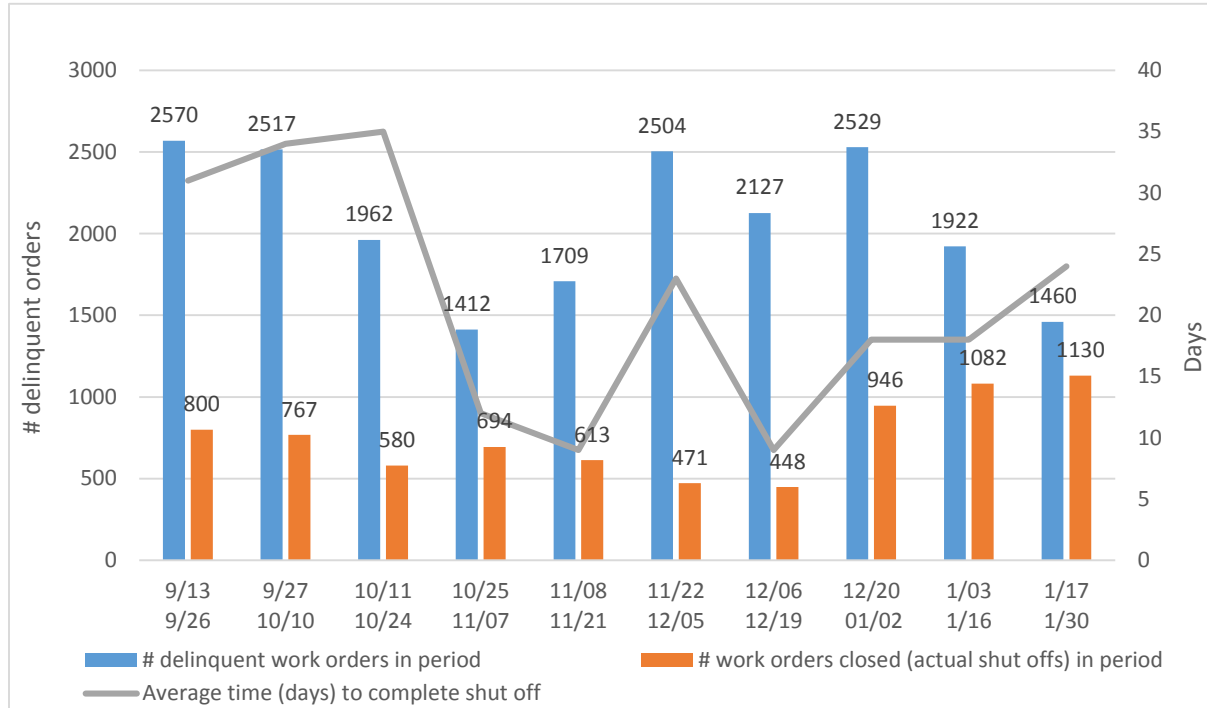
Water Leaks



Water main leaks (use actual dates of completion)	9/13 9/26	9/27 10/10	10/11 10/24	10/25 11/07	11/08 11/21	11/22 12/05	12/06 12/19	12/20 01/02	1/03 1/16	1/17 1/30
# of active leaks at end of period	28	13	31	20	18	16	14	11	43	41
Max due for repair during period	29	28	31	31	25	24	16	12	43	47
Min due for repair during period	25	13	13	20	18	16	10	9	11	33
# work orders opened in period	36	25	30	25	26	19	13	6	37	62
# work orders closed in period	33	14	26	10	21	11	13	2	36	49
Average turnaround time creation to completion	8	7	12		6.5	8	11	7	5.7	5.6
# work orders left in queue	3	14	18	33	5	4	2	0	1	11
Average age (days) of work orders on event board	8.96	6.44		2.72	3.5	3.5	4	4.25		

- **Monitor delinquent customer shutoffs.** The following charts show the number of delinquent work orders, the number of work orders closed and the average number in days to complete shut off work. The panel may wish to inquire:
 - While the increase in delinquent shut offs has been rising so has the time required to perform those shut offs? Are we facing capacity issues?
 - What has led to the steady decrease in delinquent work orders? Is the number of delinquent accounts actually decreasing?

Delinquent Customer Shutdowns



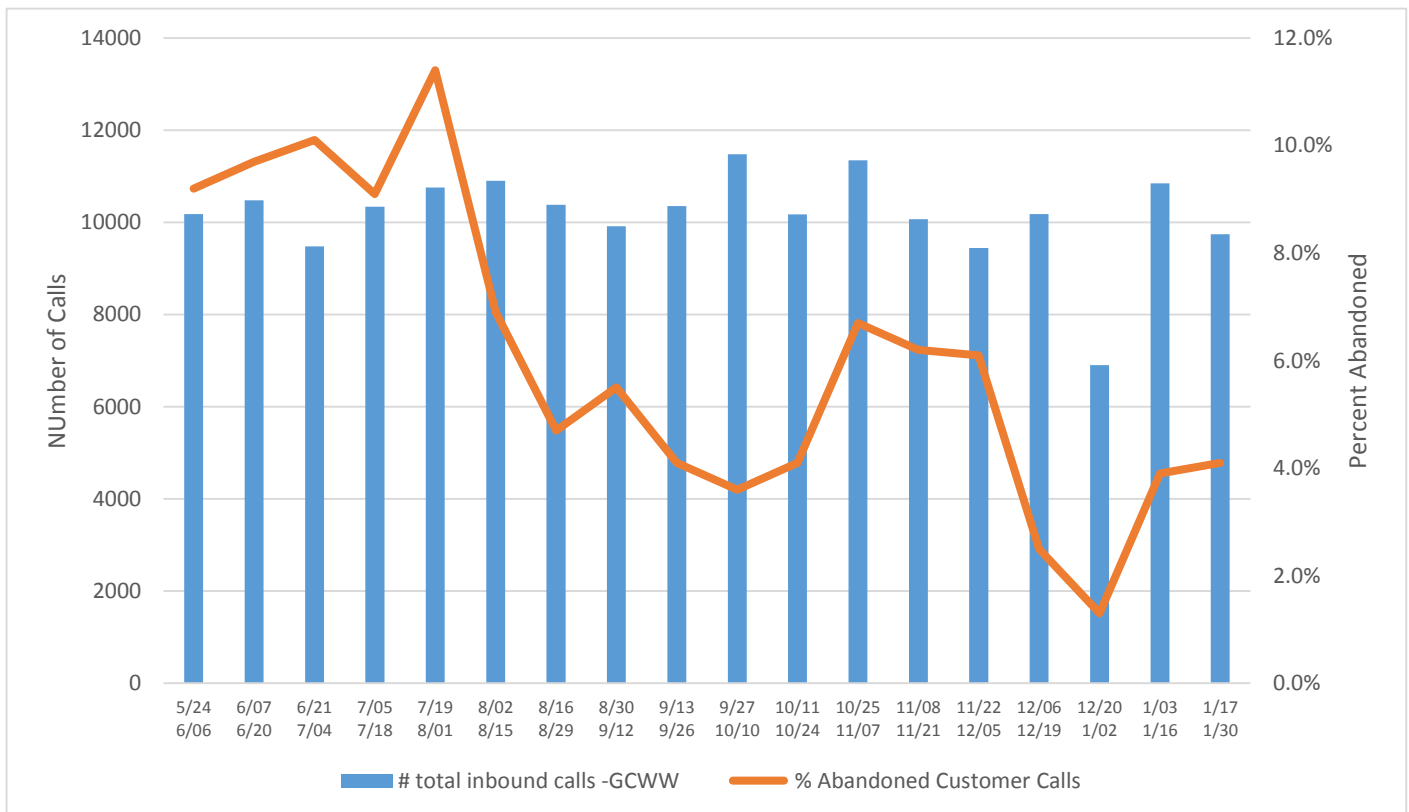
MONITOR CUSTOMER SERVICE CALL CENTER

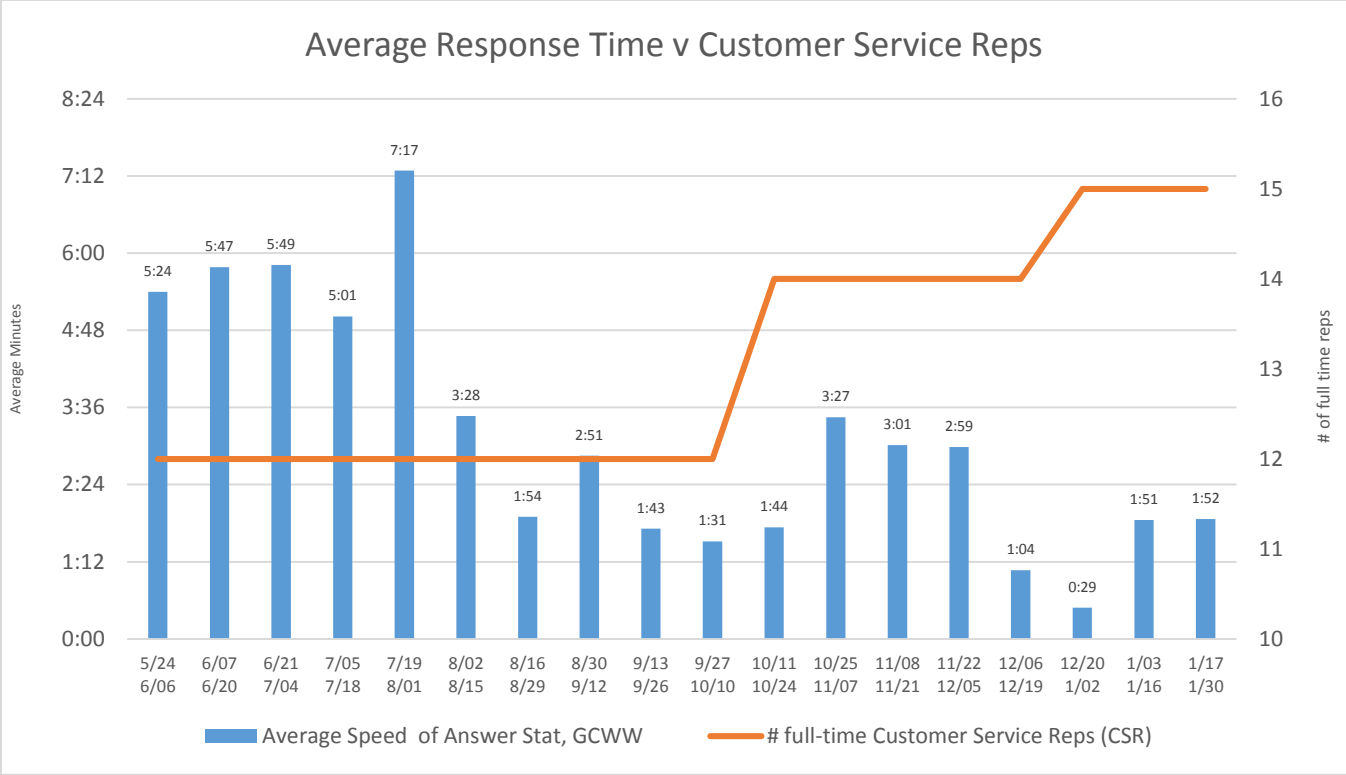
Goal: *Provide quality customer service by promptly and effectively addressing customer communications and service requests.*

Previous and Next Milestones: Through the WaterStat process we have identified datasets and performance metrics to monitor the call center customer service quality. Our next milestone is to continuously monitor these trends and examine outliers to identify potential areas of improvement.

- **Monitor abandoned Call Rate v. Volume of Calls.** The following charts show the number of calls received by GCWW as well as the percentage of abandoned calls. The panel may wish to inquire:
 - After seeing the % of abandoned calls drop dramatically over the past months, we see the metric beginning to steadily rise, why is that? Will that trend continue?
 - On the graph in the next page, the average response time improved noticeably even before additional staff were brought in, how did that happen?

Abandoned Call Rate v. Volume of Calls





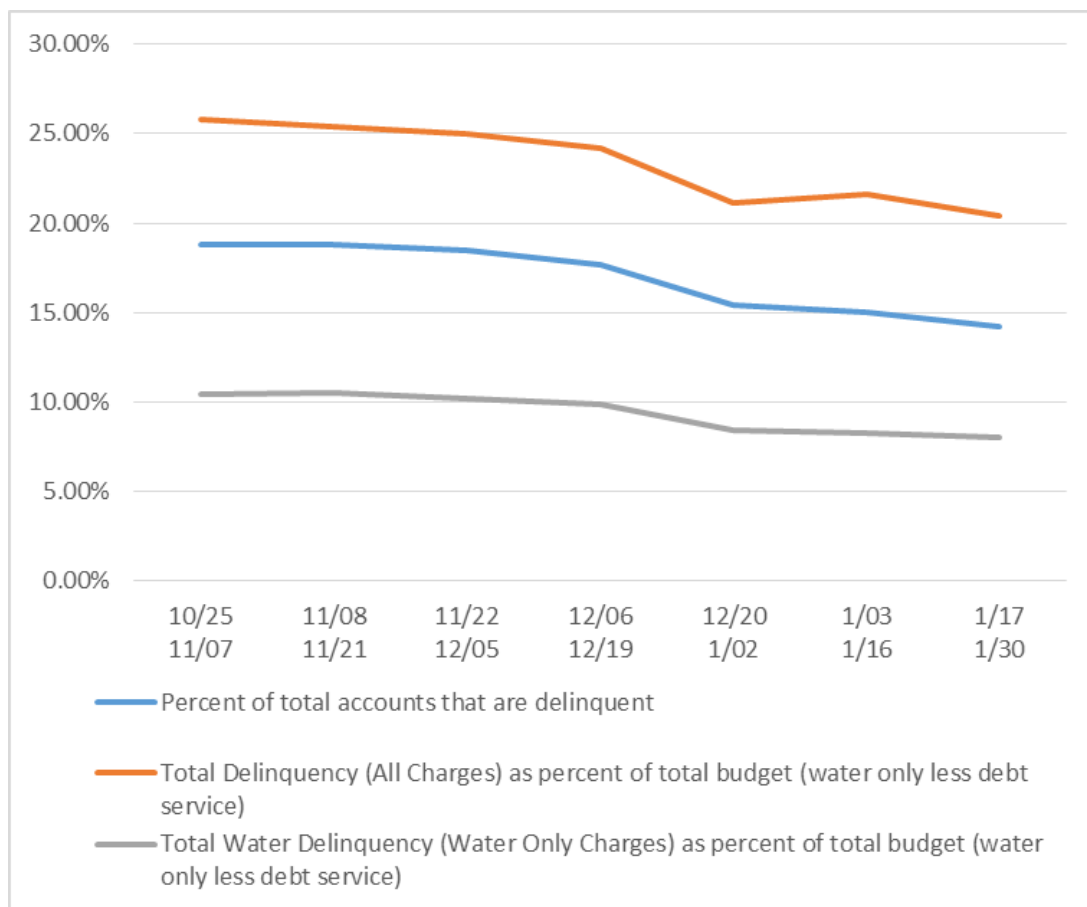
GCWW BILLING & COLLECTIONS

Goal: Increase city revenue by ensuring GCWW's collections process maximizes payment for its services.

Previous and Next Milestones: Previous milestones include reviewing the results of enhanced collections efforts, progress in writing off old debt as well as progress of the workout group recommendations. Our next milestones are monitor current internal collections for both active and inactive accounts, reach a manageable debt pool, document impact of increased focus on successful collections and update on results of work-out group.

- **Monitor current internal collections for both active and inactive accounts.**
The Department has continued to provide metrics on delinquent debt. The following chart is a high level summary of the data provided. The panel may wish to inquire:
 - Is most of this downward trend the result of write offs?
 - Should debt be sold instead of written off?

High Level Delinquency Metrics



- **Reach a manageable debt pool.** The Department has stated the need to ensure the delinquent debt pool is small and recent enough so that it can be appropriately managed. As such, several write off efforts have taken place. The panel may wish to enquire:
 - Has Law made progress in determining the sell-ability of the debt?

Department Follow up Response

Since September of 2015, GCWW has written off over \$7.3M in debt. These efforts have dramatically reduced the overall debt. We continue to work to establish a more manageable number of accounts to collect on. A chart showing the monthly totals is included below (includes all services: water, sewer, stormwater, etc.)

Total \$ value of accounts written off (September of 2015 to January 2016)

\$ of accounts written off						Total
	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	
Delinquent Active Accounts	\$ 33,822	\$ 55,954	\$ 24,939	\$ 12,479	\$ 9,825	\$ 137,019
Delinquent Inactive Accounts	\$ 469,686	\$ 333,507	\$2,355,146	\$3,953,147	\$ 103,606	\$ 7,215,092
Total of Both Active and Inactive Accounts:						\$ 7,352,111

Timeline:

<i>Month</i>	<i>Goals</i>	<i>Status</i>
<i>November/December 2015</i>	<i>Write offs >6 years</i>	<i>Complete</i>
<i>December 2015/January 2016</i>	<i>Write offs >4 years</i>	<i>Complete</i>
<i>February 2016</i>	<i>Write offs >3 years</i>	<i>In-progress</i>
<i>February/March 2016</i>	<i>Write offs >2 years</i>	<i>Next</i>
<i>April 2016</i>	<i>Manageable Data Pool for collection</i>	

Should we be selling off debt instead of writing it off?

We had one initial meeting with the Law Department regarding this.

We believe the Law Department will look into selling off debt as part of the solution for the current innovation lab event involving the Lot Abatement Program and GCWW Collections. We are looking to review information from the innovation lab event to determine how it might pertain to GCWW.

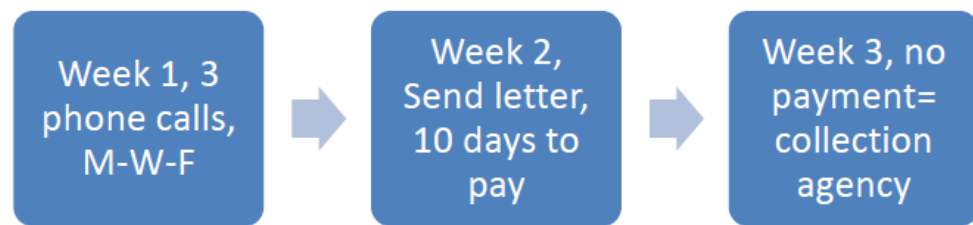
- **Document impact of increased focus on successful collections.** One of the core goals of the CincyStat process is the measurability of actions taken. As such, the department has been asked to track the increased focus on collections. The panel may wish to request a walk through the pilot program implementation.

Department Follow up Response

As described in last month's report and discussed in the January WaterStat meeting, GCWW recently initiated a pilot program to increase collection on delinquent inactive accounts. The program focused on accounts meeting the following criteria:

- *Delinquent Accounts (Outstanding balance over 26 days old)*
- *Inactive Accounts (Account has been closed.)*
- *Balance over \$100.00*
- *Past due date less than 116 days*

Our current pilot process consists of the following:



The pilot project plan included the following approach:

<u>Schedule of Enhanced Effort</u>	Week 1 (Jan 4-8)	Week 2 (Jan 11-15)	Week 3 (Jan 18-22)	Week 4 (Jan 25-29)	Week 5 (Feb 1-5)	Week 6 (Feb 8-12)	Week 7 (Feb 15-19)	Week 8 (Feb 22-26)
Group A accounts	Started	No calls/letter	Collection agency					
Group B accounts		Started	No calls/letter	Collection agency				
Group C accounts			Started	No calls/letter	Collection agency			
Group D accounts				Started	No calls/letter	Collection agency		
Group E accounts					Started	No calls/letter	Collection agency	
Group F accounts						Started	No calls/letter	Collection agency

At the end of each week, GCWW collected multiple data points and compiled numerous metrics for each group during the pilot program as shown in the table below.

Overall, the Pilot Program collected \$37,406 (31%) of the delinquent dollars on 146 (43%) delinquent accounts. A summary chart is provided below.

Summary of Enhanced Effort	Initial # of Accounts	new # to collect on	# of Accounts Collected on	% Collected	Total Value	\$ Collected	\$ already paid by time collector got to account	total (\$ collected + already paid on accounts in pool)	% collected by pilot	% collected during timeframe
Group A	222	219	110	49.5%	\$ 94,445.96	\$ 27,776.57	\$ 389.61	\$ 28,166.18	29.4%	29.8%
Group B	31	21	11	52.4%	\$6,146.75	\$2,712.81	\$ 2,246.05	\$ 4,958.86	44.1%	80.7%
Group C	37	37	13	35.1%	\$ 9,374.82	\$ 3,020.63	\$ -	\$ 3,020.63	32.2%	32.2%
Group D	23	23	1	4.3%	\$ 5,615.71	\$ 226.33	\$ -	\$ 226.33	4.0%	4.0%
Group E	26	20	1	3.8%	\$ 5,592.81	\$ 106.45	\$ 1,344.03	\$ 1,450.48	1.9%	25.9%
Total					\$ 121,176.05	\$ 33,842.79		\$ 37,822.48		31.2%

To date the data tells us the following:

- A consistent process for inactive accounts has improved the amount collected
- Less time for customers to pay before transfer to a collection agency has resulted in more customers paying before the account is referred to a collection agency
- Working on the accounts earlier (before they age) can result in collecting more revenue
- Metrics and weekly review of the data helps us understand the process and adjust it accordingly
- The phone calls and making contact with customers has resulted in increased revenue from inactive accounts

What other changes have been made and are favorable?

- Only supervisors send accounts to the Collections Agencies and Law now
- Only supervisors make contact with collections agencies for status reports
- Supervisors work to review data and compile it

Steps that we need more information on:

- The process once the account is transferred to Law
- Follow-up with the collections agencies (how often, etc.)

Internal Collections Tracking

The Department has created a spreadsheet that all the Collectors are now using to report their weekly results. This has standardized the reporting process so that the metrics are consistent, meaningful, and available in a timely manner. The results of their efforts are now included in the bi-weekly reporting section of the 'Delinquency New' tab in the Performance Metrics file.

Our ultimate goal is to eventually automate this process instead of having the Collectors input their results. Implementation of the new billing system should facilitate this effort.

Metrics to be used to track Collection Section performance

As a result of the Workout Group, GCWW developed 5 additional metrics to measure the performance of the Collections Section. These new metrics require 8 data points; 3 of which are new and will be collected bi-weekly. The new data points are:

- Attempted to collect: # of accounts
- Attempted to collect: \$ delinquent
- # of employees

Since we are not changing the existing performance metric template, we will track this separately. The following chart shows the proposed new metrics.

5 Additional Metrics for GCWW Collections

#	Proposed New Metric	Calculation	Purpose
1	Ratio of attempted to collect vs total (# of accounts).	$\frac{\text{Attempted to collect: \# of accounts}}{\text{\# of accounts}}$	Shows how much of the outstanding workload (by # of accounts) is able to be completed in a given pay period.
2	Ratio of attempted to collect vs total (\$ value of accounts).	$\frac{\text{Attempted to collect: \$ delinquent}}{\text{\$ of delinquent accounts}}$	Shows how much of the outstanding workload (by \$ value of accounts) is able to be completed in a given pay period.
3	Collections effectiveness (# of accounts).	$\frac{\text{\# of accounts collected on}}{\text{Attempted to collect: \# of accounts}}$	Shows effectiveness of collection efforts, based on # of accounts collected on.
4	Collections effectiveness (\$ value of accounts).	$\frac{\text{\$ of accounts collected on}}{\text{Attempted to collect: \$ delinquent}}$	Shows effectiveness of collection efforts based on \$ value collected.
5	Average \$ Collected per employee (\$/employee).	$\frac{\text{\$ of accounts collected on}}{\text{\# of employees}}$	Shows the average collected per employee.

- **Update on results of work-out group.** In addition to the work done through the pilot program, the Department engaged in a broader exercise of process improvement. The panel may wish to require a walk through the Department's update.

Department Follow up Response

Of the items listed on the High Payoff / Difficult to implement list the following are a few potential candidates for CincyStat/iLab:

- *Meet with City Treasurer and City Solicitor to discuss write-offs on settlement portions of delinquent accounts.*
- *Evaluate selling off debt.*
- *Requiring SSN to set up new accounts.*

iLAB KICKOFF AGENDA

GOAL: The goal of the Water Collections iLab is to improve the collection process to increase revenue.

- **OPDA Introduces the Project (1-3 min).** Walk through and explanation of the Project Charter to the stakeholders and City Manager. Initiate a brief discussion of next steps in the process leading up to iLab event.
 - Increase revenue collection on delinquent inactive accounts.
 - Reduce age of inactive accounts.
 - Reduce number of inactive account delinquencies.
 - Reduce number and amount of inactive account write-offs.
- **Discussion of Key Performance Indicators (5 min).** Stakeholders to review baseline KPIs and respond to the following questions and follow ups:
 - Are the proposed metrics accurate performance indicators for the **Water Collections** process? What should we be measuring? How do we know that we've succeeded?
 - Please provide baseline data for the included indicators prior to iLab

GCCW Delinquent Inactive Accounts	Actuals FY 2014	Actuals FY 2015
Total \$ collected from delinquent inactive accounts		\$355,897.00
% of delinquent accounts collected on from total \$ delinquent		
% delinquency (all charges) out of total budget (Water only less debt service)		
# of accounts (Monthly Average)	\$31,089.00	\$30,540.58
# of accounts 4 years old or older (Monthly Average)	\$20,327.00	\$20,068.83
# of accounts written off (FY Total)	\$0.00	\$12,691.00
# of accounts collected on (FY Total) [Note 1]	\$322.00	\$727.00
# of accounts referred to collections agency (FY Total)	\$523.00	\$312.00
# of accounts referred to law (FY Total)	\$452.00	\$385.00
# of accounts transferred to another account (FY Total) [Note 1]	\$453.00	\$416.00
\$ of delinquent accounts (Monthly Average)	\$14,922,395.24	\$15,194,591.42
\$ of accounts 4 years old or older (Monthly Average)	\$11,176,987.21	\$11,755,429.79
\$ of accounts written off (FY Total)	\$0.00	\$4,778,869.00
\$ of accounts collected on (FY Total)	\$174,985.00	\$355,897.00
\$ of accounts referred to collections agency (FY Total)	\$144,874.59	\$119,775.85
\$ of accounts referred to law (FY Total)	\$901,112.50	\$616,457.59
\$ of accounts transferred to another account (FY Total)	\$428,542.00	\$304,230.00
% of delinquent accounts collected on		

- **SIPOC and Stakeholder integrated walkthrough (10-15 min).** OPDA presents the baseline SIPOC chart and requests input from the stakeholders present.
 - Does the SIPOC accurately capture the full **Water Collections** process?
 - Are there any missing steps, inputs or outputs, customers or suppliers that should be added?
 - Are there any superfluous steps, inputs or outputs, customers or suppliers that should be eliminated?
 - Is each part of the process represented by someone in the stakeholder list?
 - Are the staff directly involved with the **Water Collections process** represented?

Inputs	Supplier	Process	Outputs	Customer
Billing Info	GCWW Billing System	1. Customer account becomes greater than five days past due.	Greater than five day report	Customer that incurred charges Rate payers
Billing Info	GCWW Collections	2. GCWW collections staff make attempts to collect payment from customer.	Collection Letters Phone calls Referrals	Customer that incurred charges Rate payers
Past due info	GCWW Collections	3. GCWWW forwards past due balances <\$500 to a collections agency	Past due balance collected Past due balance written off Write-Off Reports	City
Past due info	GCWW Collections	4a. GCWW then forwards the past due amount >\$500 to Law for collection	Legal action taken Past due balance collected Past due balance written off	City
Past due info	Collection Agency	4b. Law may then refer the past due balance to a collection agency	Past due balance collected Past due balance written off	City
Past due info	Collection Agency	5. The customer may file for bankruptcy	Past due balance written off Bankruptcy Reports	Customer that incurred charges Rate payers

- **City Manager's Remarks to the Project Champions (1-3 min).** City Manager reaffirms his vision and expectations for the project.

MONITOR EXPENDITURES (BUDGETSTAT)

Summary by Fund & Agency

Greater Cincinnati Water Works BudgetStat Meeting: 02/19/2016

FUND	DEPT	CURRENT BUDGET	PRIOR YR EXPENDED	ESTIMATED AMOUNT	EXPENDED	VARIANCE
101	301	10,963,420.00	4,314,267.68	5,286,091.72	3,278,415.27	2,007,676.45
101	302	10,835,690.00	2,939,610.97	5,267,301.43	2,290,559.95	2,976,741.48
101	303	26,220,420.00	8,774,291.80	12,719,453.70	8,805,998.86	3,913,454.84
101	304	19,680,310.00	8,100,985.46	9,414,015.64	8,781,071.80	632,943.84
101	305	9,772,670.00	4,417,571.74	4,758,308.58	3,881,960.16	876,348.42
101	306	6,064,060.00	1,866,912.86	2,871,570.88	2,115,581.12	755,989.76
101	307	3,670,390.00	604,178.28	1,776,034.47	525,116.09	1,250,918.38
101	309	55,033,920.00	24,826,813.25	27,516,960.00	23,927,045.03	3,589,914.97
Total		142,240,880.00	55,844,632.04	69,609,736.42	53,605,748.28	16,003,988.14

